Strategy Session

August 28, 2025

The S&P 500 is at a new all-time high, the QQQ is looking good with higher-than-average volume, and the IWM is trending up with higher highs and higher lows. Gold is also threatening a breakout, which Scott finds interesting because it's typically seen as a protective asset. Gold miners have been leading the rally in precious metals, while Bitcoin is consolidating, which Scott believes is a pattern often seen before a gold breakout.

He highlighted that the 10-year Treasury yield is breaking down, which is a bullish sign for risk assets. The dollar is also in a downtrend. He noted that Nvidia (NVDA) earnings were a "nothing burger," and the stock's flat price action is actually preferable to a large gap-up and subsequent sell-off. He believes this gives the market time to decide what to do with the stock. Scott identified several stocks and sectors that are currently working well, including financials, home builders, and specific tech stocks. He cautioned about potential low volume on Friday ahead of the long Labor Day weekend, which could lead to "false moves".

Next Steps:

1. Monitor Nvidia (NVDA): Look for a breakout above $185 on volume to signal a potential move higher.
2. Watch for a gold breakout: Keep an eye on GLD as it threatens a breakout above its long-term trend line.
3. Look at Solana (SOL): Pay attention to Solana (SOLUSDT) and its related futures ETFs, SOLZ and SOLT, as it is outperforming other cryptocurrencies and major institutions are looking to get an ETF approved for it.
4. Be aware of low volume: Understand that Friday could have a lower-than-average volume, which might lead to choppy price action and "false moves".
5. Set alerts for key stocks: Watch for breakouts in stocks like Uber (UBER) above $97.65, Arista Networks (ANET) above $136, and Nextracker (NXT) above $70.20.
6. Manage risk: If buying a stock like Amazon (AMZN), use a hard stop-loss, perhaps under the 50-day moving average.
7. For AMD: Look for a bullish engulfing candlestick to signal an entry point, but wait for a major trend change before adding significant size.
8. For Rambus (RMBS): Watch for a pullback to the 8-day EMA to get in on a confirmed breakout.

Transcript:

0:04: Hey everyone, good evening.

0:05: It's Scott at Scottrade's on X with Stock Market mentor and your strategy session.

0:11: Today's date is Thursday, August 28th, 2025.

0:15: I hope you had a great day.

0:17: Should be a great day.

0:18: All-time highs in the stock market.

0:21: S&P 500.

0:23: Hitting new all-time highs, doing it on good volume.

0:26: That's a good sign.

0:26: We want to see that volume really come in and ideally confirm the move.

0:31: Any time I'm looking at a move and I'm worried if this might be a fake out or whatnot, I'm looking at the volume, and today's volume was not higher than average, but it was pretty decent in my opinion.

0:43: Zooming into a short-term chart, yeah, we did have some selling into the clothes, but they're still buying it.

0:49: I mean, there's buyers on the other side, and it didn't break the trend at all.

0:53: So, really like this price action.

0:55: QQQ still off the highs, but looking good, higher than average volume on the queues.

1:00: IWM trending up, higher highs, higher lows.

1:04: If you're in IWM I think you just want to let it work.

1:08: Semiconductors are working OK.

1:10: We did have a bit of a muted reaction when it comes to Nvidia's earnings and VDA pretty flat on the day.

1:16: We'll look at this and some other semis in a minute, but the SMH is doing fine.

1:21: It's still in an up trend, still above all the key moving averages, and yes, it does dip down, but those dips so far have been buyable.

1:30: XHP just going sideways.

1:32: I know we're watching the home builders.

1:33: Dan specifically is watching the home builders as we get into a lower interest rate environment.

1:39: We do have a bit of a daily flag here to confirm the flag on the upside.

1:43: We're gonna wanna see it take out that downer.

1:46: Helping trend line and do it on volume.

1:48: If you do get that trigger tomorrow, you could use today's low at 11,340 as your stop loss.

1:55: XLF is working, higher highs, higher lows, this trend is looking good.

1:59: We'll look at a few banks here tonight as well.

2:01: And interestingly enough, as the market, as the stock market is making new all-time highs, gold is threatening a breakout here.

2:10: Now, that's interesting because a lot of times you think of gold as a protective thing, right?

2:15: Like something that you want to own when things aren't going so well.

2:19: But here we are with rates coming down, the dollar in a down.

2:23: Trend and stocks hitting new all-time highs, and gold is looking like it wants to rally here.

2:29: The gold miners have already been leading this rally.

2:32: They broke out before gold even did.

2:34: So this, I think, could be a bit of a catch-up move for GLD.

2:38: Definitely watch GLD.

2:40: I think you can own this here, maybe have a stop down around 305, at least.

2:44: To start, I know that's a $10 stop, but at least that gives you, some flexibility in terms of just starting a position, going small.

2:53: We do have PCE coming out tomorrow, that could affect the market definitely, but I would definitely keep an eye on gold here.

2:59: Any pullback on GLD I think is viable as long as it can hold up above this longer term pattern.

3:07: Now, silver has also been working while gold has been consolidating, we got a bit of a breakout here on a short-term flag.

3:14: It held the gap, closed strong and again did it on volume.

3:17: So I think you can own SLV.

3:20: I bet is in consolidation.

3:22: Now, here's an interesting factoid that I always seem to pick up is every time we get a nice breakout in gold, we tend to get consolidation in Bitcoin.

3:32: And so here we go.

3:34: We have gold about to break out and what's happening?

3:36: Bitcoin is consolidating.

3:38: Now, it has been going sideways for a while, but I think if we have a bit of a front.

3:43: of the Fed cutting interest rates in early September.

3:46: September 17th is when the Fed meeting is.

3:48: If gold starts to break out ahead of that, maybe we get some nice basing patterns developing in Bitcoin, and then here we go, we get the rate cut, and then we get an everything rally where Bitcoin rallies and everything kind of catches up.

4:01: So I'm OK with this consolidation in Bitcoin right here right now, but I would want to see this get back above that.

4:07: 50 day moving average.

4:08: Ethereum also in consolidation.

4:10: We do have a bit of an outperformance right now happening in Solana, S O L U S T, and we can see this pattern that I have drawn out here on the Solana crypto.

4:21: Now, there aren't any ETFs really when it comes to trading Solana.

4:26: We do have a futures ETF, SOLZ is one of them.

4:31: And this is working fine, although it did sell off a bit today just because it has gone up so much in a short amount of time.

4:37: But Solana, I think is a trade that is gonna get really interesting over the next couple of months because it's a crypto that doesn't have ETFs just yet, and it is a top market cap crypto where a lot of people like BlackRock, well, not BlackRock, but other issuers, Vanek, for example, they have they have submitted all the forms to the SEC and They want to get a Solo ETF.

5:01: I think Franklin Templeton wants to get a Salonic ETF.

5:04: Anyways, these major institutions want to get a Salon ETF and right now the only way to play Soul is by doing something like SOLZ or SOLT if you like, max leverage.

5:15: This is a 2X Solona Futures ETF.

5:18: So definitely keep an eye on these.

5:20: I know this isn't a crypto show, but I definitely wanna help you make money if you can in this space, and of course that's what we do every day over at Crypto Market Mentor.

5:28: OK, the dollar, as I mentioned, is in a down trend under all the key moving averages.

5:33: We have PCE tomorrow.

5:34: We're gonna wanna watch to see if we get any reaction, in the dollar.

5:38: The 10 year is following my line lower.

5:41: I mentioned this the other day looking for this to pour out of the hose, and we're finally getting a significant breakdown in the 10 year, which is good for risk assets.

5:50: So I think that this, breaking down at the same time that the spy is hitting a new all-time high is a generally bullish signal, and directionally, I think even if we get a little chop in volatility and consolidation, I think we end up higher by the end of the year.

6:08: Now, the VIX is under all the key moving averages.

6:10: No real signal here on the VIX.

6:12: It's making lower lows.

6:14: Let's get into some stocks.

6:16: We'll start things off with Amazon.

6:17: I mentioned Amazon this morning in my morning note and looking for a move above 22986.

6:23: We got that today and it came on decent volume.

6:25: Again, not a lot of volume.

6:27: Keep in mind, this is a week before a long weekend, and with Labor Day coming up on Monday, I have a feeling, tomorrow's probably gonna be a low volume day as well.

6:36: So just be aware of that.

6:37: , it doesn't mean that you can't have trades on, but it is something where sometimes you get some false moves in a low volume environment where things can go up or go down significantly because the money just isn't there to to bid it up or or to hold prices up.

6:51: And then when the market does open on Tuesday, maybe we get a little more.

6:54: More volatility in the opposite direction.

6:56: So just be aware of that.

6:57: It is a long weekend coming up.

6:58: We might get a low volume day tomorrow, but Amazon's looking good here.

7:02: I think you can buy this right here right now.

7:04: Just make sure you have a stop, a hard stop, in my opinion, right under that 50 day moving average at around 220.

7:12: I mentioned a net this morning in my morning note looking for a move over 136.

7:16: I think we got that here today.

7:19: upside reversal, right off that 21 day EMA.

7:21: This looks viable.

7:22: I think if you bought this today, you're fine.

7:24: I would probably want to have a stop under today's intraday low.

7:28: You don't want it to close under the 21 day once.

7:30: We've bounced off and and shown that that is a pretty key level of support and that's really what's happened here with the stock.

7:36: Support, support, support right at that 21 day it opened near the 21 day again.

7:41: Guess what happened?

7:42: buyer showed up, took off and closed strong.

7:44: You don't want it to do this.

7:47: And so if it does, I think you want to stop out.

7:50: I mentioned Garmin this morning as well, really good volume here on Garmin.

7:53: This one was tentative as it has just really been chopping around the last couple of days here.

7:58: We had a nice big move up here on Garmin.

8:00: It's right off the highs.

8:02: If you missed it today, I think that's OK.

8:04: You could watch for a momentum breakout above 24,260 on GRMN.

8:12: I mentioned the banks and JP Morgan just off the highs here.

8:15: This is something I think you just wanna own as we get into again a low interest rate environment that's gonna be good for home builders, that's probably gonna be good for banks because they'll be doing more loans and and whatnot.

8:26: And so I think that this is set up to go as well.

8:29: I think you can own JPM here or own.

8:32: XLF Uber, right off the lows.

8:35: It had a bit of a whippy day here.

8:37: This has been a tease, really, because it hasn't been able to break above 9765.

8:42: I've been watching that level for a couple of days now, looking for a move through, just haven't, hasn't, given it to us.

8:49: We did a bit of a whoop dee doo here today, but it did.

8:52: Close back above the 8 day.

8:54: So this could be a bit of a setup day before a breakout above 9765.

8:58: That's what I would look for tomorrow.

9:00: Look for a move through 9765 on volume.

9:03: If you got an entry today, I think that's OK.

9:06: again, for a stop, I think you just want to make sure it holds up above today's entry day low right around that level there.

9:15: OK, Nvidia, as I mentioned, they had earnings, and as Dan, so eloquently put it, it was a nothing burger.

9:21: We didn't really have anything going on with Nvidia today, which is OK because a lot of times, you, you know, you may remember we had an earnings move here.

9:30: What happened, the stock gapped up and sold off for two days.

9:33: Now, ultimately it did resolve to the upside, but anyone who bought here.

9:38: Probably got pretty bearish as it was down another, you know, $6 or $7 the next day.

9:44: So I don't love earning gaps up.

9:47: I prefer flat price action.

9:48: I want the market to really decide what they think about earnings the day after.

9:53: I love the reaction the day after.

9:54: I think you get a better sense of what the stock's gonna do afterwards.

9:58: So I like the fact that this is actually flat.

10:00: We have pretty clear resistance in and around 185, just below 185.

10:05: I would have an alert just under 185 on this and look for a move above coming on volume.

10:12: Just like that.

10:14: AMD almost got above the resistance level I was looking at today.

10:18: 169, 80, you know, as I as I was looking at this today, I just thought, man, you know, this just feels like it needs more time.

10:25: And unless we get a breakout in Nvidia and a breakout in the semiconductor index, then I think this is probably just gonna grind around, but I wouldn't write it off yet.

10:35: I'd, I'd keep an eye on this and just look for some strength.

10:39: Now, strength in this wouldn't get me in full size, but that could at least get me started if we get a nice bullish engulfing candlestick and a strong cloth.

10:47: I mean, that could get you started here on AMD and then as the trade rewards you, then maybe you want to layer in, but I would wait for that big breakout, you know, real trend change to do anything with size.

10:59: I would try and stay small as it's in consolidation, as it's kind of going sideways, and then as it starts to make higher highs and higher lows, then you're layering into more stock.

11:10: OK, let's look at Rambus.

11:11: Rammbus is one that we had mentioned recently, and for most of August, it's just kind of chopped around, but we got a really nice breakout here today.

11:19: So again, the semiconductor index seems a bit, scattered where some stocks you think should be breaking out, Nvidia should be breaking out, though I know that they did guide lower, but they still blew out earnings.

11:31: I guess the market was expecting, that, but, ultimately, You know, it didn't do anything.

11:36: And now here we have Rambus.

11:38: Rambus breaking out, doing it on way heavier than average volume.

11:41: So this looks like a pretty clean breakout here.

11:43: If I zoom out, you can see that this has been a level that I've been watching for a while, pretty strong close.

11:48: It's a bit extended now above all the key moving averages, but I would watch Rammbus for a potential pull back to the 8 day and then by the bounce and ride the continuation higher.

12:00: OK, a few more for you.

12:01: This is a lab, ticker, a lab, Astero Labs, ALAB.

12:06: I just know it as Alab.

12:08: This is working well, you know, I mentioned this one the other day, maybe this morning.

12:12: The days kind of blend together.

12:13: curling higher here, doing it on decent volume, decent clothes, it is off the highs, but pretty clear support down near that 21 day.

12:22: They haven't really closed it under the 21 day since July, so I think that that's a pretty clean line in the sand here.

12:28: Any clothes under the 21 day, I think you want to get out.

12:31: Otherwise, I think you want to see if you can ride this to test some of the highs above 200.

12:37: I mentioned NXT for our chart of the day today, really quick.

12:41: I don't wanna say the same thing, but I would look for a move above $70.20 here on NXT and look for a strong close above that level.

12:49: And last one here, this is Full Truck Alliance.

12:53: This is a, I think it's a China stock.

12:56: And it is an ADR, so just keep that, keep that in mind, but I definitely see a pretty clear resistance level even with China stocks, even though I don't love trading China stocks, the patterns can be pretty reliable.

13:08: So just be aware of that if it is a China stock, and I think it is, I would just be careful with owning it.

13:14: You don't want to own a China stock, you want to rent a China stock.

13:17: You wanna ride the momentum.

13:18: Of of China stock, and then you want to say thank you very much.

13:21: I'll take my cash and I'll wait for the next one.

13:24: But I would definitely watch for this to potentially break out of this clean long consolidation level, resistance here, resistance here, tapped against resistance.

13:34: I think you want to watch for this to happen.

13:36: And if it does, I think you can buy it and ride that momentum until it kicks you off.

13:42: That's all I got for you today, my friend.

13:43: Thank you so much for watching.

13:44: I'll see you next time.